

**SEATTLE TRANSPORTATION BENEFIT DISTRICT**

**RESOLUTION \_\_\_\_**

A RESOLUTION of the Seattle Transportation Benefit District concerning a voter-approved vehicle license fee and sales and use tax to fund Metro Transit service in Seattle; creating a rebate program for low-income individuals applicable to the vehicle license fee; providing for annual reports to the public; submitting a ballot measure regarding transit funding to the qualified electors of the Seattle Transportation Benefit District at an election to be held on November 4, 2014; requesting that the King County Director of Elections call a special election in conjunction with the November 4, 2014 general election and submitting the proposition to Seattle Transportation Benefit District voters; requesting that the King County Prosecutor prepare a ballot title; requesting that the Seattle City Attorney prepare an explanatory statement for King County's local voters' pamphlet; and appointing a committee to prepare pro and con statements for King County's local voters' pamphlet.

WHEREAS, statewide voter approved tax cut initiatives, a prolonged recession, and declined sales tax revenues, combined with failed efforts to provide funding relief at state and regional levels, have led King County Metro Transit ("Metro" or "Metro Transit" ) to propose significant bus service cuts in Seattle; and

WHEREAS, the Revised Code of Washington (RCW), Chapter 36.73, provides for the establishment of transportation benefit districts by cities and counties and authorizes those districts to levy and impose various taxes and fees to generate revenues to support transportation improvements that benefit the district and that are consistent with state, regional or local transportation plans and necessitated by existing or reasonably foreseeable congestion levels; and

WHEREAS, City of Seattle Ordinance 123397 created the Seattle Transportation Benefit District (Transportation District) for preserving and maintaining transportation infrastructure, improving public safety, implementing elements of the Seattle Transportation Strategic Plan and other planning documents, investing in bicycle, pedestrian, freight mobility and transit enhancements and providing people with choices to meet their mobility needs; and

WHEREAS, the City of Seattle and the Transportation District entered into an interlocal agreement in 2011 delineating roles and responsibilities and coordinating efforts to pursue each municipal corporation's individual, joint and mutual rights and obligations related to transportation needs of the City of Seattle; and

WHEREAS, the Transportation District has the legal authority to fix and impose up to a one hundred dollar vehicle fee under RCW 82.80.140 with approval of a majority of district voters; and

1 WHEREAS, the Transportation District has the legal authority to fix and impose up to a  
2 two-tenths of one percent sales and use tax within the district under RCW  
82.14.0455 with approval of a majority of district voters; and

3 WHEREAS, the Transportation District cannot impose a voter approved sales and use tax  
4 that exceeds a period of ten years, unless incurred for indebtedness or extended by  
an affirmative public vote in accordance with RCW 82.14.0455; and

5 WHEREAS, local transit service in the City of Seattle is provided by King County Metro  
6 Transit (Metro), a county public transportation agency; and

7 WHEREAS, since the economic downturn in 2008 and the resulting reduction in sales  
8 and use tax collections, Metro has experienced funding shortfalls that threaten to  
substantially reduce available services; and

9 WHEREAS, since 2009, Metro has cut costs, improved operational efficiency, tapped  
10 reserve funds, deferred scheduled maintenance that would have preserved  
11 reliability, found new revenue sources, and raised passenger fares four times in  
four years, with a fifth fare increase planned for 2015; and

12 WHEREAS, Metro and local officials have sought different local funding authority from  
13 the state legislature; and

14 WHEREAS, in 2011, the Metropolitan King County Council passed a two-year  
15 congestion reduction charge to help bridge Metro's funding gap and maintain  
service while the state legislature considered transportation funding options; and

16 WHEREAS, the two-year congestion reduction charge expires in June 2014; and

17 WHEREAS, in June 2013, the state legislature failed to act on a proposed transportation  
18 package that would have provided additional funding for Metro, along with many  
19 other transportation improvements; and

20 WHEREAS, following the state legislature's failure to address the Metro funding gap,  
21 Metro announced that it was facing a shortfall of about \$75 million per year  
beginning mid-2014, and that in the absence of additional funding, it would be  
22 forced to cut up to 550,000 hours of bus service by the end of 2015; and

23 WHEREAS, in an attempt to avoid service cuts, the Metropolitan King County Council  
24 voted to introduce a ballot measure, Proposition 1, to fund Metro's shortfall via a  
one-tenth of one percent sales and use tax increase in King County and a \$60  
25 vehicle fee on all vehicles within the county; and

26 WHEREAS, in April 2014, the ballot measure failed by a vote of King County residents,  
27 despite support from a large majority of voters in Seattle; and  
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WHEREAS, transit service is critical for maintaining regional mobility and regional economic vitality; and

WHEREAS, the City is now growing rapidly and in need of more transit service, and a reduction in Metro services would be particularly detrimental to low-income and disabled people who rely on transit, and such a reduction in Metro services would adversely affect the City's traffic conditions, economy and quality of life; and

WHEREAS, the Transportation District intends to enter into an interlocal agreement with the City of Seattle to govern the respective functions of the two entities, including execution and administration of service purchase agreements with Metro Transit, regional partnership agreements, ongoing assessment of countywide transit service allocations, administration of the low-income rebate programs along with other functions necessary to implement this proposition consistent with the intent of voters;

NOW THEREFORE,

BE IT RESOLVED BY THE SEATTLE TRANSPORTATION BENEFIT DISTRICT:

**Section 1. The Seattle Transportation Benefit District (Transportation District) Transit Ballot Measure**

The City Clerk is directed to certify promptly to the Director of Records and Elections of King County, Washington, as ex officio Supervisor of Elections, a copy of this Resolution and the proposition to be submitted at the November 4, 2014, general election in the form of a ballot title as follows, or as modified by the King County Prosecuting Attorney pursuant to his duties under RCW 29A.36.071:

SEATTLE TRANSPORTATION BENEFIT DISTRICT

PROPOSITION NO. 1

The Seattle Transportation Benefit District's Proposition 1 concerns increased funding for Metro Transit service.

If approved, this proposition would fund Metro Transit service benefitting the City of Seattle, by preventing planned service cuts and, if funds allow, enhancing transit service, at least until state or regional authorities provide replacement revenues. The measure

would authorize up to a 0.1% sales and use tax for ten years, and an annual vehicle license fee up to an additional \$60 per registered vehicle, with a \$20 rebate for low-income individuals, all as proposed in Resolution 12.

Should this proposition be approved?

Yes

No

**Section 2. Designation of Committee to Draft Statement in Support.**

Pursuant to RCW 29A.32.280, the following three persons are designated to be on the committee to draft for the King County local voters' pamphlet the argument advocating passage of Transportation District Proposition 1:

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**Section 3. Designation of Committee to Draft Statement in Opposition.**

Pursuant to RCW 29A.32.280, the following three persons are designated to be on the committee to draft for the King County local voters' pamphlet the argument advocating defeat of Transportation District Proposition 1:

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**Section 4. Explanatory Statement**

The City Attorney’s Office, in accordance with the agreement between the Transportation District and the City of Seattle, is requested to draft an explanatory statement for the King County local voters’ pamphlet.

**Section 5. Use of revenues.**

The funds raised by this proposition ( “Proposition 1 Revenues”) will only be used for the Transportation Improvements described in this resolution and the associated administrative costs. Proposition 1 Revenues will first be used to pay any required administrative costs to the state Department of Licensing and state Department of Revenue, the budgeted administrative costs of the Transportation District, including but not limited to elections costs, and the estimated cost of the Transportation District’s low-income rebate program for vehicle license fees, as described in Section 6 of this Resolution.

Up to three million dollars of the Proposition 1 Revenues will be used to support mutually agreeable regional partnerships with other King County cities, transit agencies, transportation benefit districts or employers who jointly contribute to the cost of preserving bus routes that enter or terminate service within the City of Seattle.

Remaining Proposition 1 Revenues will first be used to fund Metro Transit service hours on routes with more than 80 percent of their stops within City of Seattle limits for the purpose of preventing planned service cuts and providing service levels within the City of

1 Seattle comparable to what was provided by Metro Transit following its September 2014  
2 service changes. Any further remaining revenues may then be used to address  
3 overcrowding, reliability, and service frequency within the City of Seattle through the  
4 purchase of additional Metro Transit service, generally consistent with the Seattle  
5 Transit Master Plan and Metro's Service Guidelines.  
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7 **Section 6. Low-Income Vehicle License Fee Rebates.**

8 The vehicle license fee shall be subject to a rebate program consistent with RCW  
9 36.73.067, under which qualified low-income individuals as defined in RCW 36.73.015  
10 will be eligible, upon application, to receive a twenty-dollar rebate for each vehicle for  
11 which an individual pays the full vehicle fee.  
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13 **Section 7. No Supplanting of Existing Funding for Transit Service**

14 Before funding any Metro Transit service, the Transportation District anticipates that  
15 there will be an interlocal agreement funding transit service in Seattle at levels  
16 comparable to those in place following the September 2014 service changes. The  
17 Transportation District intends for this interlocal agreement to ensure that the Proposition  
18 1 Revenues will not supplant other funding for any routes partially or completely  
19 operating within Seattle that Metro Transit would otherwise provide in accordance with  
20 the adopted Metro Transit Service Guidelines.  
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24 **Section 8. Oversight**

25 The Transportation District shall issue an annual report to the public that describes Metro  
26 Transit's provision of transit service in Seattle and countywide, including service funded  
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1 by Proposition 1 Revenues and whether supplantation has occurred. The report will also  
2 analyze the impacts of service reductions, increases or changes approved by the  
3 Metropolitan King County Council or Metro Transit in Seattle.

4 The Transportation District Board anticipates that the City will appoint a public oversight  
5 committee to oversee spending of Transportation District revenues collected under this  
6 Resolution.  
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9 **Section 9. Term.**

10 In the event that the Washington State legislature enacts legislation that grants new  
11 authorization for county transportation revenues, King County imposes and collects  
12 revenues under such legislation or under any pre-existing authority, and King County  
13 restores Seattle service, the Transportation District Board will then hold a public hearing  
14 and consider a resolution to repeal or reduce the taxes and fees imposed by this resolution  
15 in an amount equal to the funding for the newly restored Seattle service. Alternatively,  
16 the Transportation District Board may submit a new proposition to the voters to propose  
17 uses for these revenues.  
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20 In accordance with RCW 82.14.0455, the Transportation District's Proposition 1 sales  
21 and use tax revenues may not be collected beyond a period of ten years.  
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Adopted by the Seattle Transportation Benefit District the \_\_\_\_ day of \_\_\_\_\_, 2014, and signed by me in open session in authentication of its adoption this \_\_\_\_ day of \_\_\_\_\_, 2014.

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Chair \_\_\_\_\_ of the Seattle Transportation District Board

Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2014.

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Monica Martinez Simmons, Seattle City Clerk

(Seal)